

Section XV

Data Sources

The following lists the data used from both VA and non-VA sources. In using data from VA, Milliman relied on the VA data sources as being accurate and complete. Milliman did not independently audit VA's methodology or sources.

Many data sources were used for the enrollment projections and VetPop Proxy development. Those sources are referenced in Section II, Appendix A.

VA Data Sources

- FY 2002 Costs and Costs per Unit for the Nation, VISN, and Facility by Treating Service and Location, produced by VHA.
- FY 2002 CDR costs by DRG.
- FY 1999, FY 2000, FY 2001 and FY 2002 Inpatient, Outpatient and Pharmacy workload detail produced by VHA.
- FY 2002 national NPPD and DDC Prosthetics workload detail produced by VHA.
- FY 2002 actual budget obligations from the 2004 President's budget submission, provided by VHA.
- Reliance and Morbidity information from the 1999 and 2002 Survey of Enrollees (SOE).
- Reliance information from CMS data match for FY 1999 and FY 2001 provided by VA.
- Veteran VHA User Diagnostic Data for FY 1999 and 2002 provided by VA.
- The 1999 Health Survey of Veterans (Veterans SF-36 & Health Behaviors) supported and funded by the Office of Quality and Performance.
- The 1999, 2000 and 2002 Veteran Enrollee Surveys provided by Condor.
- ZIP Code to FIPS State/County Code Crosswalk produced by VHA.
- VA Facility mapping to VA Medical Center Facility (MCCV) detail.

Non-VHA Data Sources

- Assessed and collected copay data for FY 2001 and FY 2002 provided by VA.
- Milliman *Health Cost Guidelines* – The Milliman *Health Cost Guidelines* are developed as a result of Milliman's continuing research on health care costs. They were first developed in

1954 and have been updated and expanded annually since then. These Guidelines are continually monitored as they are used in measuring the experience or evaluating the rates of clients and as they are compared to other data sources. The Guidelines are a cooperative effort of all Milliman health actuaries and represent a combination of their experience, research and judgment. An extensive amount of data is used in developing these Guidelines, including published and unpublished data. In most instances, cost assumptions are based upon Milliman evaluation of several data sources and, hence, are not specifically attributable to a single source. Since these Guidelines are a proprietary document of Milliman, they are only available for release to specific clients that lease these Guidelines and to Milliman consulting health actuaries. The volumes used for VA analyses include:

- Commercial Rating Structures, July 1, 2003
- Commercial Area Factors, July 1, 2003
- Commercial Claim Probability Distributions, July 1, 2003
- Ages 65 and Over, July 1, 2002
- Ages 65 and Over Basic Table Update, July 1, 2003
- Milliman *Care Guidelines*[™] – The *Care Guidelines* are a set of optimal clinical pathways for treating common conditions for patients who have no complications. The Guidelines series is prepared by a highly experienced team of clinicians, actuaries and other health care professionals, whose expertise is combined with the latest research in risk and medical management. The Guidelines are based on the actual practices of clinical physicians throughout the United States. They show the most efficient treatment for a given condition and the typical progress that the uncomplicated patient may expect. The purpose of the Guidelines is not to ration or reduce care, but rather to help minimize waste and inefficiency in the health care system, thereby making the best use of the limited health care resources available. The Guidelines are updated each year and are reviewed by practicing physicians, academic physician advisors in specific areas of specialty practices, and users of the Guidelines.
- Milliman Hospital LOS Efficiency Index[™] – The LOS Efficiency Index[™], developed by Milliman, measures how efficient an individual hospital is relative to hospitals with the shortest length of stay (LOS). Actual hospital discharge data are presented on a hospital-by-hospital and DRG-by-DRG basis to identify most efficient practices adjusted for case mix and severity. The index serves as a basis for comparing the relative efficiency of lengths of stay among hospitals, as well as by diagnosis within a hospital.
- Principal Mortality Tables, U.S. Life 1969-71 Total Male and Female, White and Non-White. Published by Tillinghast, Nelson & Warren, Inc., 1977.

- Disability Payment System (DPS) SAS Program, created by Richard Kronick, Lora Lee, Tony Dreyfus, and Zhiyuan Zhou, © 1996 The Regents of the University of California.
- 1996, 2001 MarketScan ® Database from the MedStat Group.
- Public use files, issued by CMS, known as the “Standard Analytical Beneficiary Encrypted Files.” Representing a 5% selection sample of all Medicare claims received by CMS. 1996, 2000 and 2001 claim years were used.

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